

Register
25X1DCI/ICS 83-3889
31 October 1983

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MEMORANDUM FOR: Deputy Director, Intelligence Community Staff

FROM: Vice Chairman, Critical Intelligence Problems Committee

SUBJECT: Background and Talking Points for Our Meeting with
Dom DiCarlo

1. Dom DiCarlo is the State Department's principal officer for international narcotics matters. In August 1978, when the Congress created the Office of International Narcotics Matters (INM), it mandated that INM was to be responsible for developing and implementing international narcotics control policies. INM sees itself as the principal consumer of policy level narcotics intelligence and as such expects to play a large role in shaping intelligence requirements to meet these needs.

2. Bios of both Dom DiCarlo and Deputy Assistant Secretary, Clyde Taylor, who will also be at the meeting, are attached at Tab A. At Tab B is the correspondence exchanged by you and [redacted] with DiCarlo over the past months. Suffice it to say, that DiCarlo and Taylor are looking forward to meeting with you. Although they understand that events have outdistanced some of the points raised in the attached correspondence, both men are gratified that you are making a personal visit.

3. As you know, since 1978 when the White House directed the CIA to develop a capability to estimate opium production on a worldwide basis, State/INM has provided substantial budget support for CIA/DDI activities. Currently, this runs about \$500K annually. This anomaly in the budgetary system has given INM a strong "proprietary" interest in the activities of the CIA/DDI Strategic Narcotics Branch. INM views with some concern the apparent diversion of the DDI effort into interdiction intelligence, e.g., support for NNBIS and information on narcotics financial flow, particularly to the extent that these moves diminish the traditional support INM has enjoyed. INM senses that it may be eclipsed by the Vice President and Admiral Murphy. Although it is not as "paranoid" about its position in the narcotics control effort as is the Drug Enforcement Agency (DEA), it nevertheless now finds itself in a position where strokes are needed, especially regarding the level and degree of support it expects to receive from main line intelligence agencies.

[redacted]
[redacted]
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4. Both DiCarlo and Taylor may indicate some frustration over what they perceive as inadequate representation of INM's views at substantive narcotics discussions held within the Intelligence Community. This concern helps to explain the reference in DiCarlo's 29 June letter to the alleged failure of the IC Staff to convene a "senior coordinating session" on the narcotics problem.

5. You may wish to indicate that the formal nomination of intelligence principals, including Ambassador Cohen/INR, to the CIPC was in part directed at this issue. In addition, Peter Lord, Director/Office of Program Management/INM, has been a representative to the Narcotics Working Group (infrequent in attendance), but his alternate participated fully in the final drafting of the CIPC study. Finally, as certainly Clyde Taylor is well aware, [redacted] in his capacity as Chairman of the Narcotics Working Group, has informally acted as a sort of ombudsman for INM's institutional prerogatives.

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6. INM hosts a biweekly intelligence coordination meeting [redacted] attends) which provides a spirited and an operational/policy perspective on the narcotics effort in general. [redacted] talked with Clyde Taylor on 26 October and it is clear that the following principal issues, in addition to the foregoing, are uppermost on their minds:

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- Concern over current Congressional legislation, excluding the four "Drug Czar" bills which have already been tabled, which will focus more attention on the efficacy of INM policies across the board. For example, if it passes, the Hawkins-Percy Bill will require a substantial response from INM by 31 January on all aspects of narcotics production and trafficking from countries in which INM is active. INM seems fairly sure that some legislation is going to be passed which will require strong intelligence backing for INM claims and strategies. A copy of this bill is at Tab C.

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7. On a more personal note, you will find DiCarlo and Taylor to be two very different people. It is not that DiCarlo is uncomfortable with intelligence issues, he just simply has no experience, or better yet, no intuitive sense about the process of the Intelligence Community. [redacted]

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[redacted] He is a very direct individual. His style is likely to come across as that of a prosecuting attorney--which he once was--and he will pursue a conversation like an attorney. Despite exposure to the intelligence business, and Clyde's persistent educative tactics, he just simply is not completely on track with the intelligence game. He has met Mr. Casey at least once and has some connection with him through a previous New York experience.

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8. On the other hand, his deputy, Clyde Taylor is very knowledgeable of the Intelligence Community, prides himself on being so, and took the initiative a year ago to request the Intelligence Community Staff to develop a National Collection Plan on Narcotics for distribution to US missions abroad. Clyde has read the draft CIPC narcotics study, and his comments on the study have been incorporated in our new draft. Clyde depends on [redacted] for his insights regarding the ways and means to tap the Intelligence Community. Clyde has also been turning to the staff for such direction. I do not feel that either one will surface their concerns and irritation over the DEAs autocratic performances, both here and abroad, but instead will generally expect you to indicate that the Intelligence Community will be making every effort to support them in forthcoming Congressional hearings.

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9. I would suggest the following as talking points:

- Satisfaction at finally being able to get the time to come over here personally to meet with them.
- Appreciation for the concern and interest in the CIPC effort.
- Expression of interest in the regional narcotics conferences and the Intelligence Community's participation at these conferences.
- Finally, perhaps some brief highlights from the CIPC study, mentioning [redacted] role, and inviting them to make a response relative to the general thrust of the intelligence support they are now receiving and/or expect.

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Attachments:
As stated

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BIOGRAPHIC SKETCH

April 15, 1982
-4-

Dominick L. DiCarlo is the Assistant Secretary of State for International Narcotics Matters.

Mr. DiCarlo was a member of the New York State Assembly from 1965-1981, and a practicing attorney since 1954. In 1959-1962 he was an Assistant U.S. Attorney for the Eastern District of New York and during that time he became Chief of the Organized Crime and Racketeering Section. Subsequently, he served as a Special Prosecutor at the request of the Treasury Department. Mr. DiCarlo was Vice Chairman of the New York Joint Legislative Committee on Crime in 1969-1970 and the Select Committee on Correctional Institutions and Programs (Attica Investigation) in 1972-1973. In 1971-1974 he chaired the New York State Assembly Standing Committee on Codes and was an ex-officio member of the New York State Law Revision Commission and the New York State Judicial Conference. In 1975-1978 he was Deputy Minority Leader of the New York State Assembly.

Mr. DiCarlo graduated from St. John's College, Brooklyn, (B.A., 1950); St. John's University School of Law (LL.B., 1953); and New York University School of Law (LL.M., 1957).

RESUME

TAYLOR, CLYDE D.

1983 Deputy Assistant Secretary, Bureau of International
Narcotics Matters, and Minister Counselor, Foreign
Service of the United States

Education

1959 B.A. Political Science, Wheaton College
1961 Master of International Service, School of
International Service, American University
1971 Economic Studies, Foreign Service Institute
1979 National War College

Professional Experience

1961 Entered the Foreign Service
1962 Trainee and Management Analyst, Bureau of Security
and Consular Affairs
1964 Vice Consul, Panama City
1966 Economic/Commercial Officer, Canberra
1968 International Economist, Bureau of Economic and
Business Affairs
1972 Chief, Economic/Commercial Section, San Salvador
1975 Economic Development and Financial Officer, Tehran
1979 Acting Economic/Commercial Counselor, Tehran
1980 Director, Officer of Program Management, Bureau of
International Narcotics Matters
1980 Deputy Assistant Secretary, Bureau of International
Narcotics Matters

AWARDS

- Meritorious Service Awards (1970 and 1977)

January 1983

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ASSISTANT SECRETARY OF STATE

WASHINGTON

June 29, 1983

MEMORANDUM

TO: Ms. Eloise R. Page
Deputy Director
Intelligence Community Staff

FROM: Dominick L. DiCarlo
International Narcotics Matters

SUBJECT: Intelligence Support to Narcotics Control and Role of
the Critical Intelligence Problems Committee

Clyde Taylor, Deputy Assistant Secretary of State/INM, and I have been following the work of the IC Staff and the Narcotics Working Group of the CIPC. We recently received an issue paper entitled "Ability to Provide Timely Estimates of Narcotics Crop Production." I assume this is a working paper prepared for consideration by the principals and gives us an opportunity to express our views on the paper and related issues.

Our basic concern is that increased demands by domestic law enforcement on intelligence assets could cause us to lose recent gains in producing intelligence on international narcotics which have resulted from the intelligence community's increased focus on this issue. It is our hope that assets are not redeployed without taking into careful account the serious implications upon our long-term information needs, particularly in source countries. In our opinion, resources for intelligence to support domestic interdiction activities should, to the extent possible, be additional to those scheduled to satisfy international narcotic control needs.

INM has the legal responsibility for U.S. efforts to reduce narcotics production in other countries. The issue paper recognizes the need for accurate and timely production estimates in order to accomplish this mandate. In many countries the collection of information is not an end in itself but has serious policy implications since U.S. assistance on narcotics crop estimates is likely to result in requests for U.S. enforcement and economic assistance, an INM responsibility.

Thus, we believe that INM should become part of the process at the earliest possible point when collection activities are considered since such decisions have a substantial impact on our planning and programs. Unfortunately, decisions made in cooperation with source country officials to proceed with

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collection for such estimates are not always coordinated with the Department of State, or with the Strategic Narcotics Branch. We will appreciate efforts which assure our participation.

We are disappointed in some of the recommendations made in the issue paper. I thought that the Narcotics Working Group's study had progressed to the point where more specific proposals could be made. Among other examples, we would have welcomed a clearcut statement advocating an expanded resource commitment to this critical intelligence area. Perhaps this is beyond the purview of the CIPC's charter.

In [] memorandum of November 24 and yours^{25X1} of January 5 reference was made to an early convening of the first of the senior coordination sessions. Such a meeting would be useful in exploring some of our concerns and giving us a better understanding of the problems encountered by the Intelligence Community in attempting to provide timely estimates of narcotics production.

Again, we applaud efforts to achieve efficiencies and are pleased with the increased focus by the Intelligence Community on foreign narcotics intelligence.

cc: INR - Mr. Montgomery
NIO - Mr. Gries

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The Director of Central Intelligence

Washington, D.C. 20505

Intelligence Community Staff

DCI/ICS 82-3001
5 January 1983

MEMORANDUM FOR: Mr. Dominick L. DiCarlo
Assistant Secretary of State
Bureau of International Narcotics Matters

SUBJECT: Intelligence Support to Narcotics Interdiction

REFERENCE: Your Memorandum to [redacted] dtd 8 December 1982, 25X1
Same Subject

1. [redacted] and I appreciated your expression of support 25X1
for the IC Staff's increased efforts in the coordination of narcotics-
related intelligence activities. I intend to convene the first of the
senior coordination sessions shortly and will be in touch with your
office when a date is set. [redacted] 25X1

2. Perhaps it would be useful for me to expand briefly on the
relationship between David Gries' efforts and my own. As the NIO for
Narcotics, David is primarily responsible for matters relating to the
production of narcotics intelligence. Given the relatively underdeveloped
state of the field, David has occasionally found it necessary to branch
out into areas usually beyond an NIO's ken, such as collection and
information-sharing. As narcotics intelligence is regularized, these
excursions should become less necessary in the future. [redacted] 25X1

3. In contrast, as the organization charged by the DCI with
promoting Community coordination on all aspects of intelligence, the IC
Staff effort is concerned with collection and dissemination of narcotics
intelligence, as well as with production. It is particularly concerned
with coordination among all elements involved with the problem. David
Gries' efforts are thus an important component of our own. In addition,
the IC Staff effort is oriented toward a more senior level than that of
the NIO for Narcotics. [redacted] 25X1

4. I trust that this clears up any possible confusion. I look
forward to meeting with you in the near future. [redacted] 25X1

Eloise R. Page
Deputy Director

cc: Mr. Montgomery
Director, INR

Mr. Gries

ASSISTANT SECRETARY OF STATE
WASHINGTON

18 DEC 1982

DCI/IC - 5927-82

December 8, 1982

CONFIDENTIALMEMORANDUM

TO:

[redacted]
Director, Intelligence Community Staff

FROM:

Dominick L. DiCarlo, Assistant Secretary
Bureau of International Narcotics Matters

SUBJECT: Intelligence Support to Narcotics Interdiction

Thank you for your memorandum of November 24, concerning the proposed, enhanced role of your staff in coordinating the Community's narcotics intelligence function. As a key consumer and the coordinator of international narcotics policy and activity, we in the Bureau will do all possible to assist in your effort, working with our Bureau of Intelligence and Research. We have already benefitted from the attention given this issue by [redacted] and [redacted] of your staff, most recently on the Narcotics Collection Plan and related consultations on narcotics reporting in Southeast Asia.

I note your recognition of new inter-agency relationships in narcotics intelligence. Key, to my thinking and with which I trust you are working closely, are those developed by the newly designated NIO for Narcotics, David Gries. This Bureau sought for some time the normal exercise of the DCI's jurisdiction in narcotics intelligence. We, therefore, welcomed this NIO appointment and his resultant actions to build coordination within the Community, especially through the monthly Warning Meetings. The link between his role and and yours, which I understand is principally of resource management, should complement well.

cc: INR - Mr. Montgomery
NIO - Mr. GreisCONFIDENTIAL
E.O. 12356 DECL: OADR

DISTRIBUTION:

Mr. John N. McMahon
Deputy Director of Central Intelligence

Lt. Gen. Lincoln D. Faurer, USAF
Director, National Security Agency/
Chief, Central Security Service

Lt. Gen. James A. Williams, USA
Director, Defense Intelligence Agency

Mr. Francis M. Mullen, Jr.
Administrator, Drug Enforcement Administration,
Department of Justice

The Honorable William H. Webster
Director, Federal Bureau of Investigation

Mr. Hugh Montgomery
Director, Bureau of Intelligence and Research,
Department of State

Rear Admiral John L. Butts, USN
Director of Naval Intelligence

Admiral James S. Gracey, USCG
Commandant, United States Coast Guard

Mr. Dominic L. DiCarlo
Assistant Secretary for International Narcotics Matters,
Department of State

Mr. D. Lowell Jensen
Assistant Attorney General, Criminal Division,
Department of Justice

Mr. Douglas P. Mulholland
Special Assistant to the Secretary (National Security),
Department of the Treasury

Mr. Charles A. Briggs
Executive Director, Central Intelligence Agency

Mr. Stanley Sporkin
General Counsel, Central Intelligence Agency

Mr. David D. Gries
National Intelligence Officer for East Asia, Central
Intelligence Agency

Director
Intelligence Community Staff
Washington, D.C. 20505

DCI/ICS 82-3037

24 November 1982

MEMORANDUM FOR: Lt. Gen. Lincoln D. Faurer, USAF
Director, National Security Agency/
Chief, Central Security Service

SUBJECT: Intelligence Support to Narcotics Interdiction

1. Initial efforts have demonstrated that the Intelligence Community is capable of providing considerable, unique support to the interdiction of illegal narcotics imports into the United States. While illegal importation of narcotics is indeed a threat to our national interests, it is not the type of threat with which the Intelligence Community is used to dealing. Valuable initiatives have already been made, but further Community-wide coordination may be necessary to identify and develop the assets that can be brought to bear on the narcotics problem and to employ those assets effectively and efficiently. Equally important is sufficient coordination between the Intelligence Community and other elements of government to facilitate the sharing of information, to see that Intelligence Community support is tailored to consumer needs, and to ensure that all Community actions are within legal guidelines. []

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2. I have asked my Deputy, Eloise R. Page, to undertake this coordination role. In the near future, she will convene a meeting of senior officials with responsibilities related to narcotics intelligence from each organization concerned. The purpose of this session will be to identify specific areas where additional coordination is required and to establish the mechanisms to accomplish it. Miss Page will be responsible for facilitating coordination on narcotics intelligence matters to the extent required, and for as long as required, until new procedures and relationships are regularized. Let me emphasize that this undertaking is not intended to inhibit or complicate the several new interagency relationships which have already been established. []

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WARNING NOTICE--INTELLIGENCE
SOURCES AND METHODS INVOLVED

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SUBJECT: Intelligence Support to Narcotics Interdiction

3. Your support in this coordination effort will have an important bearing on the nation's success in dealing with the illegal narcotics problem.

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cc: Admiral Daniel J. Murphy, USN (Ret.)
Chief of Staff, Office of the Vice President

Mr. Robert C. McFarlane
Deputy Assistant to the President for
National Security Affairs

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II

98TH CONGRESS
1ST SESSION

S. 1143

To condition United States assistance to any country which is a major producer of opium, coca, or marihuana on reductions by that country in the levels of such production, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 26, 1983

Mrs. HAWKINS introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To condition United States assistance to any country which is a major producer of opium, coca, or marihuana on reductions by that country in the levels of such production, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Diplomacy Against Drugs
4 Act".

5 SEC. 2. (a) For any fiscal year, United States assistance
6 may be provided for a country which is a major producer of
7 opium, coca, or marihuana only if the amount of opium, coca,
8 or marihuana (as the case may be) that was produced in that

1 country during the preceding fiscal year is at least 20 per
2 centum less than the amount produced in that country during
3 the fiscal year which preceded such preceding fiscal year.

4 (b) To the extent that the amount of opium, coca, or
5 marihuana (as the case may be) that is produced in a major
6 opium, coca, or marihuana producing country is reduced by
7 more than 20 per centum from one fiscal year to the next,
8 the United States Government shall give serious considera-
9 tion to increasing the level of United States assistance for
10 that country during the fiscal year following such reduction.
11 In addition, in determining for the next fiscal year thereafter
12 whether that country has met the requirement of subsection
13 (a), the amount of any such additional reduction shall be car-
14 ried over and counted as if it had occurred in the fiscal year
15 following the year in which it actually occurred.

16 SEC. 3. The Secretary of the Treasury shall instruct
17 each United States Executive Director of the International
18 Bank for Reconstruction and Development, the International
19 Development Association, the International Finance Corpo-
20 ration, and the Inter-American Development Bank to oppose
21 actively the extension of any loan or the furnishing of any
22 financial assistance or technical assistance during a fiscal
23 year by the respective international financial institution to a
24 country which is a major producer of opium, coca, or mari-
25 huana, unless the amount of opium, coca, or marihuana (as

1 the case may be) that was produced in that country during
2 the preceding fiscal year is at least 20 per centum less than
3 the amount produced in that country during the fiscal year
4 which preceded such fiscal year.

5 SEC. 4. Not later than March 15 of each year, the Di-
6 rector of Central Intelligence shall prepare and transmit to
7 the Congress and to the Secretary of the Treasury a report
8 on opium, coca, and marihuana production in major produc-
9 ing countries. Each such report shall set forth the actual
10 amount of opium, coca, or marihuana (as the case may be)
11 which was produced in each major opium, coca, or marihuana
12 producing country during the preceding fiscal year and the
13 estimated amount of such production for the then current
14 fiscal year. Each such report shall also set forth the amounts
15 of opium or coca produced solely for pharmaceutical purposes
16 in each such country during each such year.

17 SEC. 5. (a) For purposes of this Act, a country is a
18 major producer of opium if it produced twenty metric tons or
19 more of opium during a fiscal year.

20 (b) For purposes of this Act, a country is a major pro-
21 ducer of coca or marihuana if it produced fifteen thousand
22 hectares or more of coca or marihuana (as the case may be)
23 during a fiscal year.

1 (c) In carrying out this Act, opium or coca produced
2 solely for pharmaceutical purposes shall not be counted in
3 determining amounts of production.

4 (d) As used in this Act, the term "United States assist-
5 ance" includes any assistance of any kind (other than assist-
6 ance involving only the provision of food or medicine) which
7 is provided by grant, sale, loan, lease, credit, guaranty, or
8 insurance, or by any other means, by any agency or instru-
9 mentality of the United States Government to or for the
10 benefit of any foreign country, including—

11 (1) assistance under the Foreign Assistance Act of
12 1961 (including programs under title IV of chapter 2
13 of part I, relating to the Overseas Private Investment
14 Corporation, but excluding programs under chapter 8
15 of part I, relating to international narcotic control as-
16 sistance);

17 (2) sales, credits, and guaranties under the Arms
18 Export Control Act;

19 (3) sales under title I (including title III) and do-
20 nations under title II of the Agricultural Trade Devel-
21 opment and Assistance Act of 1954 of nonfood com-
22 modities;

23 (4) financing programs of the Commodity Credit
24 Corporation for export sales of nonfood commodities;

5

1 (5) financing under the Export-Import Bank Act
2 of 1945;

3 (6) assistance under the Migration and Refugee
4 Assistance Act of 1962;

5 (7) programs under the Peace Corps Act;

6 (8) assistance under the Inter-American Founda-
7 tion Act;

8 (9) assistance under the African Development
9 Foundation Act;

10 (10) financial assistance for foreign persons or
11 groups under the Mutual Educational and Cultural Ex-
12 change Act of 1961; and

13 (11) assistance of any kind under any other Act.

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